

**MASTER SERVICE AGREEMENT FOR PROFESSIONAL AND/OR CONSULTING SERVICES
BETWEEN
TOLEDO BEND PROJECT JOINT OPERATION
AND**

THIS AGREEMENT ("Agreement") for Professional and/or consulting services, (together with the attachments hereto) dated and effective as of _____, (the "Effective Date"), is hereby made and entered into by and between **Toledo Bend Project Joint Operation** (hereinafter "Client") on behalf of the Sabine River Authority of Texas and Sabine River Authority, State of Louisiana, having a place of business located at 12777 Hwy 87 North, P.O. Box 579, Orange, TX 77631-0579, and _____ company (hereinafter "Consultant") having a place of business located at _____. Consultant and Client are each individually referred to as a "Party" and collectively as the "Parties"

The Parties agree as follows:

1. WORK AUTHORIZATIONS

1.1 Consultant agrees to undertake and perform certain consulting and/or professional engineering services ("Services") in accordance with the terms and conditions contained herein, as may be requested by Client from time to time. The Services to be performed, Consultant's compensation, and the schedule for performance for each task shall be described in one or more authorizations issued to Consultant by Client, the form of which is attached hereto as Attachment 1 ("Work Authorization"). A Work Authorization shall be valid and binding upon the Parties only if accepted in writing by Client and Consultant. Each duly executed Work Authorization shall be subject to the terms and conditions of this Agreement, except to the extent expressly modified by the Work Authorization.

1.2 It is the expressed intent of the parties that this Agreement shall be made available to subsidiaries and affiliated companies of Consultant. For the purposes of this Agreement, as it applies to each Work Authorization, the term "Consultant" shall mean either Consultant as defined above or the subsidiary or affiliate of Consultant identified in the Work Authorization. The applicable Work Authorization shall clearly identify the legal name of the entity accepting the Work Authorization. For purposes of this Agreement, two companies are "affiliated companies" when one of the companies owns less than a majority of the voting stock or interest of the other company, or when both are subsidiaries of a third company.

1.3 Each Work Authorization shall be issued in accordance with this Agreement, and will contain, where required by Client, estimate(s) of cost, time and/or funding limitations. All Work Authorizations or other forms of written authorizations shall be subject to the terms and conditions set forth in this Agreement. In the event any conditions contained in a Work Authorization conflict with any terms, conditions or clauses in this Agreement, the provisions of this Agreement shall govern, unless clearly and specifically stated otherwise in the Work Authorization. In the event of an ambiguity between the Work Authorization and this Agreement, the terms of this Agreement shall control.

1.4 The following procedure will be followed to initiate and activate a Work Authorization under this Agreement. Consultant or Client will prepare a Work Authorization and submit same in duplicate, together with all appropriate technical attachments, to the other party for approval. Client upon its acceptance shall execute the Work Authorization and return one fully executed copy to Consultant.

2. PAYMENTS FOR SERVICES

2.1 Invoicing and payment shall be as specified in a Work Authorization, but if not so specified, Consultant shall prepare and submit invoices to Client monthly, and Client will pay Consultant the invoice amounts within sixty (60) days after receipt of invoice. If payment is not received for a particular Work Authorization within thirty (30) days from the due date of such payment, Consultant may suspend further performance under that Work Authorization until payment is current. Client shall notify Consultant of any disputed amount within fifteen (15) days from date of the invoice, give reasons for the objection, and promptly pay the undisputed amount. Client shall pay an additional charge of one half percent (0.5%) per month or the maximum percentage allowed by law, whichever is the lesser, for any past due amount. In the event of a legal action for invoice amounts not paid, attorneys' fees, court costs, and other related expenses shall be paid to the prevailing party.

2.2 Client shall reimburse Consultant for all taxes, duties and levies such as Sales, Use, and other similar taxes which are added to or deducted from the value of Consultant's Services. For the purpose of this Article such taxes shall not include taxes imposed on Consultant's net income, and employer or employee payroll taxes levied by any United States taxing authority, or the taxing authorities of the countries or any agency or subdivision thereof in which Consultant subsidiaries, affiliates, or divisions are permanently domiciled. It is agreed and understood that these net income, employer or employee payroll taxes are included in the unit prices or lump sum to be paid Consultant under the applicable Work Authorization.

2.3 Work Authorizations shall be written as Not to Exceed (Time and Materials). Not to Exceed Work Authorizations shall specify the time and materials estimated to perform a certain task. Costs provided by Consultant in Not to Exceed Work Authorizations which may be included at the request of Client, are provided as a not to exceed price. Consultant will make a reasonable attempt to notify Client as soon as practicable if it appears that the estimated cost will be exceeded. Consultant shall in no circumstance exceed estimates without an amendment to the Work Authorization. If Consultant exceeds estimates without an amendment to increase said estimate, all charges in excess of the original Work Authorization estimate will be the responsibility of the Consultant.

2.4 With the exception of Lump Sum Work Authorizations, for which Time Reports may be waived, Consultant shall prepare and submit to Client, monthly, or as otherwise specified in the Work Authorization, Time Reports showing the total number of hours worked for each of Consultant's employees performing services pursuant to the applicable Work Authorization. A Time Report shall be submitted with each invoice.

2.5 Where travel for Consultant personnel is approved on the Work Authorization by Client, all necessary and reasonable travel expenses by Consultant personnel directly relating to any Client project will be billed to Client. Local mileage and other travel related expenses to and from the

designated work site will not be allowed, unless specifically so provided in the Work Authorization. Any expenses for which Consultant seeks reimbursement must be pre-approved, but expenses as a class, such as mileage between work sites, may be specified and pre-approved in a Work Authorization.

2.6 If the Work Authorization provides for services to be performed on a Not to Exceed basis, Consultant will provide to Client the various categories of personnel specified at the rates specified in all Work Authorization(s) issued under and incorporated into this Agreement. Rates specified therein shall be effective from the date of the Work Authorization(s), and maybe updated annually, unless otherwise stated in the Work Authorization. Consultant shall provide written notification of all rate adjustments when they occur. If the Work Authorization is a Lump Sum Work Authorization, Consultant shall specify the personnel used to perform the services requested. Client has the right of refusal or approval of people presented by Consultant, but such right shall be exercised reasonably, and Consultant shall be given reasonable discretion for Lump Sum Work Authorizations.

3. CONFIDENTIALITY

3.1 Confidential materials furnished to Client by Consultant relating to the performance of any Work Authorization shall not be disclosed to third parties by Client and its employees without Consultant's prior approval. This shall not apply to materials necessary to utilize the deliverables or to derive the intended benefit of the deliverables, which may be disclosed but only to the extent necessary to permit Client to utilize the deliverables for their intended purpose.

3.2 Confidential material furnished by Client relating to the performance of any Work Authorization shall not be disclosed to third parties by Consultant and its employees without Client's prior written approval.

3.3 For a period commencing with the disclosure of any confidential information under this Agreement and/or a Work Authorization(s) and ending on the third anniversary such disclosure was first made, Consultant and Client each agree not to disclose to third parties, including also subcontractors and vendors (unless such subcontractors and vendors have a need to know and are bound to similar obligations of confidentiality), any information that is identified as confidential in writing on the materials made available to the other Party hereunder.

3.4 A party's confidential information shall not include information which: (a) is or becomes a part of the public domain through no act or omission of the receiving party; (b) was in the receiving party's lawful possession prior to the disclosure and had not been obtained by the receiving party either directly or indirectly from the disclosing party; (c) is lawfully disclosed to the other party by a third party without restriction on disclosure; or (d) is independently developed by the receiving party. In the event that a receiving party receives a binding request from a governmental agency or court requiring disclosure of confidential information, the receiving party will notify the disclosing party in sufficient time to permit the disclosing party to object to and defend against the disclosure.

4. WARRANTY

4.1 Consultant warrants that any consulting and/or professional engineering Services performed by it under a Work Authorization shall be performed in accordance with that degree of care and skill ordinarily exercised by members of Consultant's profession practicing at the same time in the same general location. Consultant shall re-perform any non-conforming Services upon receipt of written notice from Client within the one (1) year period following Consultant's substantial completion of the Services under a particular Work Authorization.

4.2 Consultant warrants that it owns and or has the rights to, and the power and authority to transfer the deliverables to Client, and that it has the rights in the deliverables granted hereby. Consultant further warrants that the deliverables shall be delivered free of any rightful claim of any third party for infringement of any United States patent, copyright, trade secret, or other intellectual property right. Consultant shall indemnify and hold harmless Client and its directors, officers, employees and agents against any and all losses, liabilities, judgments, awards and costs (including legal fees and expenses) arising out of or related to any claim that Client's use or possession of the deliverables pursuant to and for the purposes set forth in this Agreement, or any license granted hereunder, infringes or violates the copyright, trade secret or other proprietary right of any third party. Consultant shall defend and settle at its sole expense all suits or proceedings arising out of the foregoing, provided that Client gives Consultant prompt notice of any such claim of which it learns. No such settlement which prevents Client from continuing to use the deliverables as provided herein shall be made without Client's prior written consent. In all events, Client shall, at its own cost and expense, have the right to participate in the defense of any such suit or proceeding through counsel of its own choosing. If the deliverables, or any part thereof, are held to constitute such an infringement and the use for the purpose intended of said deliverables is enjoined, then Consultant shall, at its reasonable expense and option, either procure for Client the right to continue using same, or replace same with a non-infringing product, or modify same so it becomes non-infringing. If Consultant shall not be able to do so in a timely manner, Consultant shall reimburse to Client all sums paid to Consultant by Client for the deliverables. Consultant shall not be obligated to indemnify that portion of a claim or dispute based upon Client's unauthorized modification or alteration of a product, material or service provided by Consultant pursuant to this Agreement. **THE WARRANTY SET FORTH IN THIS ARTICLE 4 IS EXCLUSIVE, AND IN LIEU OF ANY AND ALL OTHER WARRANTIES RELATING TO THE SERVICES, WHETHER STATUTORY, EXPRESS OR IMPLIED, AND CONSULTANT DISCLAIMS ANY SUCH OTHER WARRANTIES, INCLUDING BUT NOT LIMITED TO ANY AND ALL WARRANTIES OF MERCHANTABILITY AND/OR FITNESS FOR A PARTICULAR PURPOSE AND ANY AND ALL WARRANTIES ARISING FROM COURSE OF DEALING AND/OR USAGE OF TRADE. ANY OTHER STATEMENTS OF FACT OR DESCRIPTIONS EXPRESSED IN THE AGREEMENT OR ANY WORK AUTHORIZATION SHALL NOT BE DEEMED TO CONSTITUTE A WARRANTY OF THE SERVICES OR ANY PART THEREOF.**

5. WORK BY OTHERS

5.1 The performance by Consultant of Services under a Work Authorization shall not constitute an assumption by Consultant of the obligations of Client or its other contractors. Consultant shall not control or have charge of, and shall not be responsible for, construction means, methods, techniques, sequences, procedures of construction, health or safety programs, or precautions connected with the work of Client or its other contractors, and shall not manage, supervise, control or have charge of construction, unless specified otherwise in a Work Authorization for a particular project.

6. INSURANCE

6.1 In the event Consultant performs Services under any Work Authorization in connection with a project for which Client or another party with which Client has contracted obtains all-risk or builder's risk property insurance, Client, as the case may be, shall name, or shall cause such other party to name, Consultant as an additional insured on such all-risk or builder's risk property insurance. Client acknowledges that Consultant has an insurable interest in such all-risk or builder's risk property insurance.

6.2 Consultant and Client each waive all rights of recovery and subrogation against each other with respect to a loss occurring to property of the other, to the extent that such waivers do not invalidate the property insurance of either.

6.3 Consultant agrees to carry the following insurance coverage during the Term of this Agreement:

6.3.1 Worker's compensation as required by the laws of the state in which the work is being performed;

6.3.2 Commercial general liability and property damage insurance with combined bodily injured and property damages limit of \$1,000,000 for each occurrence; \$2,000,000 aggregate.

6.3.3 Automobile liability insurance covering all vehicles used by Consultant in providing services under any Work Authorization, including, owned, non-owned, leased, rented or hired automobiles with \$1,000,000 combined single limit for bodily injury and property damage; and

6.3.4 Professional liability (error & omissions) insurance in an amount not less than \$2,000,000.

6.4 Consultant shall defend indemnify and hold Client harmless from all claims, damages or losses, including reasonable attorneys' fees, to the extent arising out of or related to any error or omissions in design furnished by or through Consultant. Consultant's commercial general liability and automobile liability policies shall be endorsed to include Client as additional insured. The additional insured coverage shall cover Consultant's operations as apply to the Services under this Agreement and be endorsed to apply on a primary and non-contributory basis to any insurance or self-insurance, including any deductible, maintained by Client.

7. INDEMNITY

7.1 **CONSULTANT SHALL INDEMNIFY, DEFEND, AND SAVE HARMLESS THE CLIENT AND ITS OFFICERS, DIRECTORS, AGENTS AND EMPLOYEES FROM LIABILITY ON ACCOUNT OF ANY INJURIES OR DAMAGES RECEIVED OR SUSTAINED BY ANY PERSON OR PERSONS, OR PROPERTY, INCLUDING COURT COSTS AND REASONABLE ATTORNEY FEES INCURRED BY THE CLIENT, ARISING FROM, IN WHOLE OR IN PART, THE NEGLIGENT ACTS OR OMISSIONS OF THE CONSULTANT OR ITS OFFICERS, AGENTS, OR EMPLOYEES. CONSULTANT AGREES TO DEFEND, AT ITS OWN EXPENSE, ANY CLAIM OR SUIT BROUGHT AGAINST CLIENT BY THIRD PARTIES TO THE EXTENT ARISING FROM OR RELATED TO ANY NEGLIGENT ACT OR OMISSION OR WILLFUL MISCONDUCT OF CONSULTANT. CONSULTANT FURTHER AGREES TO INDEMNIFY CLIENT AGAINST ANY AWARD OF DAMAGES AND COSTS (INCLUDING REASONABLE ATTORNEY'S FEES AND EXPENSES) MADE AGAINST CLIENT TO THE EXTENT ARISING FROM OR RELATED TO ANY NEGLIGENT ACT OR OMISSION, OR WILLFUL MISCONDUCT OF CONSULTANT IN THE PERFORMANCE OF THE SERVICES HEREUNDER. CONSULTANT'S OBLIGATION TO INDEMNIFY CLIENT AS SET FORTH ABOVE IS CONDITIONED ON CLIENT GIVING CONSULTANT PROMPT WRITTEN NOTICE OF ALL CLAIMS, PROVIDING REASONABLE COOPERATION IN THEIR INVESTIGATION AND DEFENSE, AND PERMITTING CONSULTANT TO DEFEND CLIENT AT CONSULTANT'S EXPENSE WITH LEGAL COUNSEL OF CONSULTANT'S CHOICE. NOTWITHSTANDING THE ABOVE, CONSULTANT WILL NOT BE REQUIRED TO DEFEND OR INDEMNIFY CLIENT WITH RESPECT TO LOSSES OR EXPENSES CAUSED BY CLIENT'S OWN NEGLIGENCE OR WILLFUL MISCONDUCT. IN THE EVENT OF CLAIMS COMBINING INDEMNIFIABLE AND NON-INDEMNIFIABLE ALLEGATIONS, CONSULTANT SHALL PROVIDE COSTS OF DEFENSE, AND PAY ONLY THOSE DAMAGES ASSESSED AS THE RESULT OF NEGLIGENT ACTS OR OMISSIONS OR WILLFUL MISCONDUCT OF CONSULTANT. CLIENT SHALL HAVE THE RIGHT TO PARTICIPATE IN ANY ACTION WITH COUNSEL OF CLIENT'S CHOICE AT CLIENT'S EXPENSE.**

8. WAIVER OF CONSEQUENTIAL DAMAGES

8.1 Notwithstanding any other provision to the contrary in this Agreement or a Work Authorization and to the fullest extent permitted by law, neither Client nor Consultant shall be liable, whether based on contract, tort, negligence, strict liability, warranty, indemnity, error and omission or any other cause whatsoever, for any consequential, special, incidental, indirect, punitive or exemplary damages, or damages arising from or in connection with loss of power, loss of use, loss of revenue or profit (actual or anticipated), loss by reason of shutdown or non-operation, increased cost of construction, cost of capital, cost of replacement power or customer claims, and Consultant hereby releases Client and Client hereby releases Consultant from any such liability.

9. FORCED WORK STOPPAGE

9.1 Excluding payment obligations under this Agreement, neither party shall be liable for any delay in or failure to perform its obligations under this Agreement if prevented from doing so by a cause or causes beyond its control. Without limiting the generality of the foregoing, such causes include Acts of God, or the public enemy, fires, floods, storms, earthquakes, riots, strikes, lockouts, pandemics, epidemics, wars or war operations, restraints of government or other cause or causes which could not with reasonable diligence be controlled or prevented by the party.

10. HAZARDOUS MATERIAL

10.1 Nothing in this Agreement shall be construed or interpreted as requiring Consultant to assume the status of, and Client acknowledges that

Consultant does not act in the capacity nor assume the status of Client or others as a “generator,” “operator,” “transporter,” or “arranger” in the treatment, storage, disposal, or transportation of any hazardous substance or waste as those terms are understood within the meaning of the Resource Conservation and Recovery Act (RCRA), Comprehensive Environmental Response, Compensation and Liability Act (CERCLA), or any other similar federal, state, or local law, regulation, or ordinance. Client acknowledges further that Consultant has played no part in and assumes no responsibility for generation or creation of any hazardous waste, pollution condition, nuisance, or chemical or industrial disposal problem, if any, which may exist at any site that may be the subject matter of any Work Authorization prior to Consultant’s provision of Services pursuant to this Agreement.

10.2 It is acknowledged by both parties that the Services do not include services related to the handling, remediation, treatment, storage, disposal or transportation of any regulated substances, pollutants, or hazardous or toxic wastes (“Hazardous Material”) situated on, in or under Client’s premises prior to Consultant’s provision of Services pursuant to this Agreement. In the event Consultant or any other party encounters undisclosed Hazardous Materials, Consultant shall promptly notify Client and, to the extent required by law or regulation, the appropriate governmental officials, and Consultant may, at its option and without liability for delay, consequential or any other damages to Client, suspend performance of Services on that portion of the project affected by Hazardous Material until Client: (i) retains appropriate specialist consultant(s) or contractor(s) to identify and, as appropriate, abate, remediate, or remove the Hazardous material; and (ii) warrants that the project site is in full compliance with all applicable laws and regulations.

11. CHANGES

11.1 The Parties may from time to time by mutual agreement in writing seek to modify, extend or enlarge the Services under a Work Authorization (“Modification”). In the event the Parties agree to a Modification to add additional Services, or to make other modifications to the Services, Consultant’s compensation, the schedule and any other relevant terms and conditions of the applicable Work Authorization shall be equitably adjusted prior to performance of such Services.

12. OWNERSHIP OF DELIVERABLES

12.1 Client acknowledges that the deliverables may in whole or in part be created using Consultant prior acquired knowledge, skill and professional experience, and may include Consultant proprietary information and prior developed intellectual property of Consultant, which Consultant shall continue to own and have an unrestricted right to use for other purposes. To the extent that such prior developed intellectual property of Consultant and/or Consultant proprietary information are included in the deliverables, Client shall have a perpetual, non-exclusive license to use the intellectual property and proprietary information as part of the deliverables, such that Client may copy and disseminate the deliverables and create derivative works therefrom, as appropriate and as required by Client. Consultant shall have no continuing proprietary interest in the deliverables except as herein stated. Consultant may retrieve archival copies of the deliverables for Consultant’s internal use, and nothing herein shall prevent Consultant from continuing to use Consultant’s information, knowledge, skill and/or professional experience for other purposes. Any use or reuse of such information and other documents by Client except for the specific purpose for which such information was prepared, without the written authorization of Consultant shall be at Client’s sole risk.

12.2 Consultant agrees that all deliverables, which means and includes all reports, designs, diagrams, studies, conclusions, recommendations, analyses and other materials developed, generated or produced by Consultant pursuant to this Agreement and any Work Authorizations, shall be owned by and shall be the exclusive property of Client for use as contribution to a collective work, and considered a “WORK MADE FOR HIRE” as that term is defined for copyright and other purposes.

12.3 Consultant hereby assigns all copyrights, patents, service marks and trademarks and other intellectual property rights of deliverables and all software, documentation and other products and materials related to the deliverables and supplied to Client pursuant to a Work Authorization, finally and irrevocably to Client, and Consultant agrees to execute any and all documents necessary to accomplish such assignment and/or to allow Client to register any patent, service or trade mark, or copyright arising from the work performed pursuant to his Agreement.

12.4 Upon termination or expiration of this Agreement, all software, documentation or materials belonging to Consultant or Client shall be returned to the respective owner thereof, provided that Client and Consultant may each retain one copy for its records. This shall not include documentation or other materials necessary for Client to properly utilize the deliverables.

13. TERM/TERMINATION

13.1 The Term of this Agreement shall commence on the Effective Date and shall continue until December 31st of the year this Agreement is executed, and shall automatically renew January 1st on an annual basis thereafter until terminated by either party at any time upon written notice to the other, or until abandoned which shall not require notice.

13.2 Any individual Work Authorization under this Agreement may be terminated, in whole or in part, by Client, upon not less than thirty (30) days written notice to Consultant, whenever, for any reason Client shall determine that such termination is in its best interest. Client shall be obligated to pay for time, materials and project related expenses incurred prior to the termination date, and any irrevocable expenses committed to by Consultant prior to the notice of cancellation. Client may terminate this Agreement and any Work Authorization immediately upon notice to Consultant for any material breach of this Agreement, subject to Consultant’s right to cure any breach within fifteen (15) days of the date of the notice. Consultant shall, on or before the date of termination, turn over to Client all documentation, reports, data, flow diagrams, materials and all work in process generated during the performance of the terminated Work Authorization. If this Agreement is terminated because of breach by Consultant, Client may, but shall not be obligated to, accept any deliverables, or part thereof completed by Consultant up to the termination, and for any deliverables accepted, Client shall pay Consultant in accordance with the provisions of the Work Authorization, or in such reasonable amount as the parties agree.

14. NOTICES

14.1 Any notices provided for in this Agreement shall be given in writing and transmitted by personal delivery or prepaid first class registered or certified mail addressed as follows:

Consultant:

Client:

**SABINE RIVER AUTHORITY OF TEXAS
SABINE RIVER AUTHORITY, STATE OF LOUISIANA**

15. RESPONSIBILITIES OF CLIENT

15.1 Without limiting any express or implied obligations of Client under applicable law, Client shall: (1) provide Consultant, in writing, all information relating to Client's requirements for the project; (2) use best efforts to correctly identify to Consultant the location of subsurface structures, such as pipes, tanks, cables, and utilities; (3) notify Consultant of any potential hazardous substances or other health and safety hazard or condition reasonably known to Client existing on or near the project site; (4) give Consultant prompt written notice of any suspected deficiency in the Services; (5) with reasonable promptness, provide required approvals and decisions; and (6) furnish or cause to be furnished to Consultant full, unrestricted and legal access to, and use of, the site and all necessary rights of way and easements, in order to perform the Services. In the event Consultant is requested by Client or is required by subpoena to produce documents or give testimony in any action or proceeding to which Client is a party and Consultant is not a party, Client shall pay Consultant for any time and expenses required in connection therewith, including reasonable attorney's fees.

15.2 Consultant may rely upon and use in the performance of any Services information supplied to it by Client without independent verification and Consultant shall not be responsible for defects in its Services attributable to its reliance upon or use of such information.

16. TERM

16.1 Unless otherwise specified, the Term of this Agreement shall run from the Effective Date and remain in full force until terminated as provided herein.

17. GENERAL

17.1 Client and Consultant each represent and warrant that this Agreement has been duly authorized, executed and delivered and constitutes its binding agreement enforceable against it. This Agreement and any executed Work Authorizations supersede all prior written and/or oral contracts and agreements that may have been made or entered into between Client and Consultant regarding the subject matter hereof, including but not limited to any and all proposals, oral or written, and all communications between the Parties relating to this Agreement or any Work Authorization(s), and constitute the entire agreement between the Parties hereto with respect to the subject matter hereof.

17.2 This Agreement and Work Authorization(s) may not be assigned by Consultant or Client in any way, including by operation of law, unless otherwise mutually agreed to in writing, any such attempted non-authorized assignment shall be null and void and of no force or effect.

17.3 Any cost opinions or estimates provided by Consultant will be on a basis of experience and judgment, but since Consultant has no control over market conditions or bidding procedures, Consultant cannot and does not warrant that bids, ultimate construction cost, or project economics will not vary from such opinions or estimates. Neither this Agreement nor any of the Services provided hereunder shall constitute or provide for, and Consultant shall not be considered to have rendered, any legal or financial opinion(s) regarding the feasibility of this project or any other or regarding any other matter. Unless otherwise expressly included in a Work Authorization, Consultant shall under no circumstances provide as part of the Services a consent, opinion or similar document, or act as a qualified person or expert, in connection with any filing by Client with the United States Securities and Exchange Commission, or similar non-United States agency, authority or commission.

17.4 Notices shall be effective hereunder as follows only if in writing and addressed to the authorized representative designated in applicable Work Authorizations: (1) upon delivery, if delivered personally to the person; (2) upon transmission, if transmitted to the facsimile number or email of the person; and (3) upon posting, if by first class or overnight mail (postage prepaid).

17.5 All contract issues and matters of law will be adjudicated in accordance with the laws of the State of Texas. Venue for any litigation shall lie exclusively in Orange County, Texas and none other.

17.6 The terms and conditions of this Agreement shall prevail, notwithstanding any variance with any purchase order or other written instrument submitted by Client whether formally rejected by Consultant or not. This Agreement may be modified only by amendment when signed by each Party. In the event that any one or more of the provisions of this Agreement shall be found to be illegal or unenforceable, the remaining provisions of this Agreement shall remain in full force and effect, and such term or provision shall be deemed stricken to the extent and in the jurisdictions necessary for compliance with applicable law.

17.7 Nothing in this Agreement shall be construed to give any rights or benefits to anyone other than the Client or Consultant.

17.8 The headings in this Agreement are for convenience only, and shall not affect the interpretation hereof. The terms "hereof", "herein," "hereto" and similar words refer to the entire Agreement and not to any particular Article, Section, Attachment, Exhibit or any other subdivision of this Agreement. References to "day" or "days" shall mean calendar days unless specified otherwise.

17.9 The provisions of this Agreement which by their nature are intended to survive the termination, cancellation, completion, or expiration of the Agreement, including, but not limited to, indemnities and any expressed limitations of or releases from liability, shall continue as valid and enforceable obligations of the parties notwithstanding any such termination, cancellation, completion, or expiration.

17.10 It is understood and agreed that any delay, waiver or omission by Consultant or Client to exercise any right or power arising from any breach or default by Client or Consultant in any of the terms, provisions or covenants of this Agreement or any Work Authorization shall not be construed to be a waiver by Consultant or Client of any subsequent breach or default of the same or other terms, provisions or covenants on the part of Consultant or Client.

17.11 Consultant shall be an independent contractor and control the method and manner of performing the work to be completed. Consultant shall be responsible for supervision and control of any Consultant employees who perform services pursuant to a Work Authorization. All such persons shall be employees of Consultant and not of Client.

18. **ATTACHMENTS AND EXHIBITS**

The following attachments and exhibits, which are attached hereto, are part of this Agreement.

Attachment 1 – Work Authorization

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be duly executed by their duly authorized representatives, effective as of the day and year first above mentioned.

TOLEDO BEND PROJECT JOINT OPERATION

SABINE RIVER AUTHORITY OF TEXAS

**SABINE RIVER AUTHORITY,
STATE OF LOUISIANA**

By: _____
(Signature)

By: _____
(Signature)

Name: _____

Name: _____

Title: _____

Title: _____

(CONSULTANT)

By: _____
(Signature)

Name: _____

Title: _____

ATTACHMENT 1

NOT TO EXCEED WORK AUTHORIZATION NO. _____

In accordance with the Agreement for Consulting and Professional Services between **Toledo Bend Project Joint Operation on behalf of Sabine River Authority of Texas, and Sabine River Authority, State of Louisiana** ("Client"), and ("Consultant") a _____ corporation, dated _____, this Work Authorization describes the Services, Schedule, and Payment Conditions for Services to be provided by Consultant on the Project known as:

**Client Authorized
Representative:** _____
Address: _____

Telephone No.: _____

**Consultant Authorized
Representative:** _____
Address: _____

Telephone No.: _____

SERVICES. The Services shall be described in Attachment ____ to this Work Authorization.

SCHEDULE. The Schedule shall be set forth in Attachment ____ to this Work Authorization.

PAYMENT. Not to Exceed amount of \$_____ is authorized upon signature of this Work Authorization. Consultant charges shall be on a "time and materials" basis and shall be in accordance with the Consultant's Schedule of Fees and Charges in effect at the time the Services are performed. Payment provisions and the Consultant's current Schedule of Fees and Charges are attached to this Work Authorization as Attachment _____.

TERMS AND CONDITIONS. The terms and conditions of the Agreement referenced above shall apply to this Work Authorization, except as expressly modified herein.

ACCEPTANCE of the terms of this Work Authorization is acknowledged by the following signatures of the Authorized Representatives.

CLIENT:
Sabine River Authority of Texas

Signature

Name/Title

Date of Signature

CLIENT:
Sabine River Authority of Louisiana

Signature

Name/Title

Date of Signature

CONSULTANT:

Signature

Name/Title

Date of Signature